FEDERAL COMMUNICATIONS COMMISSION
INDEPENDENT PANEL REVIEWING THE IMPACT OF HURRICANE KATRINA

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Chairwoman Victory and distinguished Members of the Panel. I very much appreciate the opportunity to appear before you on behalf of Globalstar. Globalstar is one of the original "Big LEO" mobile satellite systems licensed by the Federal Communications Commission more than a decade ago. Like the rest of the telecommunications industry, we suffered through the doldrums of the business recession that began in 2000. We entered chapter 11 bankruptcy in 2002, and the pundits, the terrestrial wireless industry and even many of our regulators gave us up for dead. But our loyal and dedicated employees and, most importantly, our customers, did not give us up for dead. Why not? Because we provide a unique suite of products and services that government and industry have come to rely upon in remote areas of the globe and during the emergencies that routinely disable terrestrial wireline and wireless communications for a period of time.

We all know that Hurricane Katrina was a an extraordinary event with an unusually disruptive impact on the land-based telecommunications infrastructure. We also all know that Government's response to the emergency was not acceptable to the public or to its elected officials. My presentation today will address, first, Globalstar's response to the emergency as we experienced it and, second, our recommendations to ensure a faster and better coordinated response if and when the next such event occurs.

In the aftermath of Hurricane Katrina, Globalstar was one of a very small number – perhaps fewer than five – of telecommunications companies serving the Gulf Coast region whose

services were not disrupted. We are one of only two FCC-licensed companies that currently provide mobile satellite services, or "MSS," using battery-powered handheld and vehicle-mounted phones. Our satellites serve the Southeast United States with the aid of our Gateway satellite earth stations near Waco, Texas, and Sebring, Florida. Because our satellite constellation is located 850 miles above the earth's surface, as long as either one of those ground stations is undisturbed, our customers in the Gulf Coast area can obtain uninterrupted service even when all terrestrial communications in the area are unavailable.

Much of the debate among telecommunications policy makers following Hurricane Katrina concerned the lack of "interoperability" among proprietary radio systems used by local, state and federal police, fire and rescue and other emergency assistance agencies, which I refer to collectively as "First Responders." This lack of interoperability is indeed a problem that these agencies and state and federal regulators have been attempting to solve for years. However, the lack of interoperability was not an impediment for those agencies that had MSS phones at their disposal during and after the Hurricane. This is because MSS phones, which use globally-allocated radio spectrum, and which do not rely on the terrestrial infrastructure to function effectively, are "operable" with each other and via satellite with any other communications device that is connected to the public switched telephone network or to a wireless network anywhere.

If I may, I would like to summarize briefly Globalstar's actions both before and immediately after Hurricane Katrina came ashore.

In advance of Hurricane Katrina, we -

- Prepositioned our phone inventory to strategic locations such as Baton Rouge;

- Reallocated the coverage footprints of our Texas and Florida Gateway earth stations to increase our capacity in the Gulf Coast region; and
- Prepared our network operations team to monitor usage patterns in real time to manage the anticipated traffic increase effectively.

Immediately after the Hurricane moved out of Louisiana and Mississippi, we -

- Within 24 hours, increased available network capacity in the affected areas by 60 percent;
- Donated about 100 phones each to the governors of Louisiana and Mississippi;
- Within about one week, activated and deployed roughly 10,000 additional phones to FEMA and other state and federal agencies;
- Activated and deployed some 2,000 simplex data terminals so that FEMA and other agencies could reliably track their mobile and fixed assets, such as generators and trailers;
- Doubled the capacity for Globalstar calls to landline phones;
- Continuously reallocated Gateway capacity and coverage to maintain service quality in the Gulf Coast region; and
- Developed and sent to FEMA four new transportable Globalstar Emergency Communications System "picocells," which mate GSM cell phones with a Globalstar fixed phone for backhaul to create a small, self-contained local area network.

Even though Globalstar's calling increased a staggering **566 percent** in the week following Hurricane Katrina, compared with the week preceding, we were able to maintain our

quality of service to ensure that FEMA and other First Responders had uninterrupted communications capability. Why were we able to do this? Because we were prepared.

I do not mean to imply that everything worked smoothly – it did not. No company or government agency can anticipate each potential point of failure during a calamity. Even if we could, the cost of designing hardware and software and preparing ourselves for the unthinkable would be cost-prohibitive. We design our equipment and procedures to work properly "nearly all the time." This does not mean that we cannot take steps to reduce the points of failure.

With that in mind, I would like to share with you Globalstar's observations and recommendations based on our experience, not only with Hurricane Katrina, but also with Hurricane Wilma some weeks later and with the series of hurricanes that struck Florida during 2004.

First, we found that some First Responders, who had the foresight to stock Globalstar phones and other satellite communications equipment, had not received adequate training in proper use of the equipment. This lack of training accounted for a sizeable number of communications failures during the first 48 hours after the Hurricane. In some cases, First Responders simply had failed to keep the handset batteries charged, just as we at home might fail to keep fresh batteries in our flashlights in the event of a power failure. Others did not realize that satellite phones require a clear line of sight between the handset and the satellite in order to function effectively. Accordingly, it is essential the First Responders and other emergency personnel receive proper training on the operation of satellite equipment. There is no reason that such training cannot be organized for local, state and federal First Responders under FEMA, and Globalstar is actively engaged in training and outreach initiatives with its public safety customers so that they are prepared when the next emergency occurs.

Second, we found that First Responders generally did not have pre-emergency deployment plans that they could invoke in advance of the actual emergency. As a result, Globalstar had difficulty determining where to send our phones and other equipment for staging into the disaster area. Only through repeated contacts with FEMA and other officials were we ultimately advised to send our equipment to staging areas – primarily Baton Rouge. In order to avoid this problem in the future, it is vital that First Responders, preferably through cooperation at both the state and federal level, publish a plan to deploy operable equipment in advance of an emergency. We also recommend that any such plan ensure military - for example, National Guard - assistance to transport emergency communications equipment into the affected area faster and more efficiently.

Third, we found in many cases that although local and state First Responders already had operable Globalstar phones for emergencies, they either did not know how to activate their service through their local or state government procurement agency, or did not have funding readily available for procurement. It is understandable that First Responders might not be able to secure budget approval to pay for multiple service subscriptions for phones that they might not use on a day-to-day basis; however, if local, state and federal agencies were able to improve their contracting methods and pool their emergency communications funds, they could share the cost statewide, or even nationally, of emergency preparedness and could, consequently, receive volume discounts on their minutes of use.

Fourth, we found that First Responders often did not have the same state-of-the-art equipment that our large commercial customers have. There are a number of relatively new solutions for First Responders available from Globalstar and other satellite service providers. As I noted previously, Globalstar's technicians developed and sent to FEMA four transportable

Globalstar Emergency Communications System "picocells." This product is quite similar to an ancillary terrestrial component, or ATC, product that we intend to develop now that the FCC has authorized us to implement ATC. Other satellite-based products that could be of great value to First Responders include narrow bandwidth video, solar-powered phones and satellite backhaul infrastructure for cell phones and other portable communications equipment. Local, state and federal agencies and commercial operators must work together to develop and deploy new solutions for emergency preparedness.

In summary, we recommend that First Responders train their employees on the proper use of equipment, deploy emergency equipment in advance of a disaster, work together to share resources and funding, and work with industry to procure and maintain state-of-the-art equipment.

That concludes my prepared statement. I respectfully refer the Panel to Globalstar's written statement submitted on January 27 for additional detail about Globalstar's response to Hurricane Katrina. Thank you.

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